

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's Own Motion
Into the Status, Rates, Rules, Operations, Service,
Facilities, Contracts, and Practices of the Union
Pacific Railroad Company in the Supply,
Distribution, and Sale of Water by the Keene
Water System to the Communities of Keene and
Woodford in Kern County.

Investigation 00-05-020
(Filed May 18, 2000)

**ADMINISTRATIVE LAW JUDGE'S RULING
REGARDING SCHEDULE FOR PROCEEDING**

Following issuance of the Commission Water Division's (Division) report on April 17, 2003, it is necessary to determine the next steps in this proceeding. As set forth in the report, at the Division's recommended rates, a monthly bill for a 5/8 x 3/4-inch meter for a residential customer using 4,000 gallons of water would increase from \$16.00 to \$76.57. The Division also recommends that water meters (42) be installed before its recommended rates become effective.

The Division's report is purely advisory, and any increase in rates would have to be approved by the Commission following a formal request by Union Pacific Railroad Company (UP) for a rate increase. Thus, if UP proposes to go forward with a rate increase, it must submit an Advice Letter setting forth the details of any proposed rate increase. UP should consult with the Division in this regard. Following receipt of an Advice Letter rate increase proposal, evidentiary hearings will be scheduled.

UP is also reminded that if it intends to proceed with a rate increase request, it must comply with the notice requirements of Pub. Util. Code § 454. Public participation hearings will also be scheduled and UP should consult the Commission's Public Advisor in this regard.

Therefore, **IT IS RULED** that:

1. Union Pacific Railroad Company (UP) needs to advise the undersigned Administrative Law Judge (ALJ) whether it intends to go forward with a rate increase proposal. Accordingly, UP shall inform the ALJ by letter, with copies to all parties, no later than Thursday, July 3, 2003.

2. If UP decides not to proceed with a rate increase proposal, the ALJ needs to know whether there is any reason why this proceeding should not be closed.

3. All parties may respond to UP's letter no later than Thursday, July 24, 2003.

4. Following receipt of UP's letter and responses from the parties, the ALJ will issue a ruling setting forth the next step in this proceeding.

5. My telephone number is (415) 703-2740 and my e-mail address is bdp.cpuc.ca.gov.

Dated June 12, 2003, at San Francisco, California.

/s/ BERTRAM D. PATRICK

Bertram D. Patrick
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Regarding Schedule for Proceeding on all parties of record in this proceeding or their attorneys of record.

Dated June 12, 2003, at San Francisco, California.

/s/ HELEN FRIEDMAN
Helen Friedman

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.